

CANNOT MEET ITS NOTES.

A BIG CONCERN HAMPERED.

RECEIVERS NAMED FOR THE EQUITABLE
MORTGAGE COMPANY.

THE TOTAL LIABILITIES ABOUT \$15,000,000—

FINANCIAL STRINGENCY CAUSES THE SUB-
PRESSION—RESULT OF DEFAULTS ON

WESTERN FARM MORTGAGES—

MANY CREDITORS ABOARD.
The Equitable Mortgage Company, one of the largest corporations engaged in the business of lending money on farm mortgages in the Western and Southwestern States, has succumbed to the effects of the financial stringency. Unable to meet pressing claims now due and others soon to fall due, it has sought the protection of the courts

tain due, it was sought the protection of the courts through a friendly action for a receivership. Judge Shipman, in the United States Circuit Court, signed the order at Hartford, Conn., on the application of the New-York Security and Trust Company. James O. Bloss, who holds the

mortgage company's notes for \$45,000, and **George K. Gilluly**, who owns ten shares of the capital stock. The receivers named are **Charles N. Fowler**, president of the company, and **James M. Gifford**, lawyer, at No. 58 William-st. **Shearman & Sterling** appeared for the plaintiffs, and **Simpson, Thatcher & Barnum** for the company. The papers were filed here yesterday.

The **Equitable Mortgage Company** was organized July 26, 1884, under the laws of the State of New York. **Charles N. Fowler**, a native of

of Missouri, by Charles N. Fowler, a native of that State. It was originally local in operations, but gradually extended its business until it reached a prominent position among the corporations engaged in this style of financing. Its

credit has stood high until within the last few months, when the condition of monetary matters at the West caused conservative Eastern bankers to scrutinize closely all concerns that were liable to feel the effects of the financial stringency. The authorized capital of the company was \$4,000,000, and the amount paid in is \$2,160,000. Its board of directors is composed of William Warner, of Missouri; Charles B. Wilkinson, of Pennsylvania; Edward H. Hobbs, Charles N.

Fowler, B. P. Shawhan, and S. R. Bertron, of this city, and Sir Henry Cartwright, of England. The officers are Charles N. Fowler, president; C. B. B. Wilkinson and S. R. Bertron, vice-presidents, and B. P. Shawhan, secretary and treasurer.

ing of money on Western and Southwestern real estate, principally farm property. High rates of interest were obtained, and the company was enabled to pay large rates upon the debenture bonds which it issued against the real estate mortgages as security and sold to capitalists and small investors at the East and in Europe. Less than one-half of the company's debentures have been placed abroad. The bonds paid interest at the rate of 6 and 7 per cent, but the debentures placed abroad in the last few years have borne

only 5 per cent. The company's business has been so profitable that in the last five years its dividends to stockholders have been at the rate of 10 per cent a year. Bankers said yesterday in criticism of the company's operations that it made the error of distributing nearly all its profits in good times instead of accumulating a substantial surplus against which it might draw in the stress of times like the present.

The company has been placing debenture bonds at the rate of about \$3,000,000 a year. In the Western land "boom" of about five years ago the

company made plenty of money, for the farmers met their interest promptly and paid off their

mortgages at maturity. In the last few years there has been a gradual change in this respect, and the financial crisis of 1893 has crippled many

of the agriculturists. Many of the land mortgage companies curtailed operations, and strengthened their resources in view of the collapse of the land "boom." The suspension of the Equitable Company indicates that it did not shorten sail in time to weather the financial storm. Persons who are acquainted with the Western situation have estimated that not more than 10 per cent of the Western citizens who have borrowed money on farm mortgages have been able to meet the interest, and in the past year and a half about 30 per cent of the mortgages are said to have been fore-

crippled by the financial stringency.

No statement could be obtained from the officers of the Equitable Mortgage Company as to the actual condition of its affairs. The only official statement given out was as follows:

"Owing to the continued stringency in the money market and our consequent inability to dispose of securities or to collect interest on maturing loans, we have been compelled to sus-

Only a meagre idea of its obligations could be obtained from the bill of complaint in the action for the receivership. The pressing obligations to which the company pleads its inability to respond include interest and principal of its debentures falling due as follows: On September 1, \$180,184; on October 1, \$193,383; on November 1, \$355,522; on December 1, \$210,430; total, \$939,522. There are call loans liable to

be demanded at any time amounting to \$463,000; making a total of \$1,402,529. In these rail loans are included the notes of James D. Bliss, one of the plaintiffs.

The last available balance sheet of the company was submitted on October 1, 1892, to the Banking Department of the State of Connecticut, and was as follows:

ASSETS.

Loans secured by first liens on real estate	\$11,982,474 87
Loans secured by second liens on real estate	173,013 97
Loans on collateral security	80,250 00
Loans on personal security	38,069 61
Treasury certificates	2,492,400 00
Stocks and bonds	193,402 54

Real estate acquired by purchase of stock and bonds	114,478 35
Life insurance proceeds	29,368 82
Other proceeds paid	50,901 12
Current expenses	11,600 78
Remittances for interest matured	118,400 00
Other past due interest not paid	910 459 00
Past due loans remitted for but not paid	608 194 36
Due from branch offices and agents	877 233 14
Due from banks and bankers	22 075 66

Cash	\$17,757,795 11
Total assets	\$17,757,795 11
LIABILITIES.	
Capital stock paid in	\$2,100,000 00
Surplus fund	800,000 00
Guarantee fund	50,000 00
Undivided profits	15,657 77
	12,499,357 77

Debitenote bonds outstanding	11,500 20
Interest paid in advance on borrowers	395,540 46
Loans paid but not remitted for	
Due borrowers on loans in process of completion	268,290 00
Certificates of deposit bearing interest	554,832 87
Deposits awaiting investment	69,342 00
Deposits on deposit	20,622 33
Other deposits	168,850 50
Due branches offices and agents	

HOLDERS OF DEFEUTURE OBLIGATIONS.
The bill of complaint shows that the defeuture obligations of the Equitable have been increased since last year about \$1,600,000. The total amount is given as follows: Defeutures to the New-York Security and Trust Company, as trust-

tee, \$4,875,000; to the Union Trust Company of New-York, \$1,587,500; to the Kansas City Safe Deposit and Savings Bank of Kansas City, Kan., \$1,634,100; to the Imperial Trust Company, of Camden, \$56,300; to English trustees, \$4,582,544.32; to Holland trustees, \$464,300; to Berlin

trusts, \$155,200; total, \$13,346,644 32. The company also has outstanding promissory notes, including call notes, amounting to \$1,076,462 04; time loan certificates amounting to \$454,763 23, and open accounts of \$300,000; a total of \$1,831,225 27. The grand aggregate of liabilities

by this showing is \$15,177,869.59. The only assets specified in the bill of complaint (although there is a general claim put in of ownership of